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C O N F I D E N T I A L SECTION 01 OF 05 TOKYO 003587

SIPDIS

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STATE FOR D, EAP, NEA AND SCA

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TAGS: PREL KWBG XF IZ IR IS IN AF BM PK JA

SUBJECT: THE DEPUTY SECRETARY DISCUSSES THE MIDDLE EAST

WITH VICE FOREIGN MINISTER YACHI

Classified By: Deputy Secretary John Negroponte for reasons 1.4(b) and (d)

11. (C) SUMMARY: At a working lunch hosted for the Deputy Secretary by Vice Foreign Minister Yachi, MOFA officials made

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- -- Japan is hopeful the September report on progress in Iraq will be positive, but is realistic and expects it may not meet expections and will lead to further political debate about the proper course of action in Iraq. In the meantime, Japan will continue to provide reconstruction assistance to Iraq and will pressure its leaders to make better efforts to achieve reconciliation. In addition, Tokyo believes Saudi Arabia and other neighboring Sunni Arab countries must be convinced to play a more constructive role in Iraq, and Iran must also be engaged to bring stability to Iraq and the region.
- -- Japan sees no sign that Iran will cease its uranium enrichment activities and believes pressure by the international community working in concert must be maintained, as it would be difficult for Japan to take action against Iran outside of an international framework. Japanese diplomats believe international pressure is having an impact on the Ahmadinejad government, but are worried by talk of possible military action by the United States or Israel.
- -- Afghanistan must be viewed in conjunction with Pakistan, and Japan is concerned that unless checked, forces of radical Islam could use these countries as stepping stones to South and Southeast Asia, a development that Japan would view as a direct threat to its own security. Accordingly, Japan will remain engaged in Afghanistan and is prepared to work with us to help stabilize Pakistan's Federally Administered Tribal Areas.
- -- Foreign Minister Aso will visit the West Bank and Israel later this month to promote Japan's Corridor of Peace and Prosperity Initiative and would like, if possible, to be included in the international meeting on the peace process recently called for by President Bush.
- -- Japan is interested in the agreement between the United States and India regarding the peaceful use of nuclear energy

and will be sending experts to Washington to learn more about it.

- -- The Japanese are miffed that the United States chose to go through the Chinese to facilitate contacts with Burma and would have preferred that we had gone through them.
- -- Japan hopes to focus attention on Africa at next year's G-8 summit.

As the main topic of the working luncheon was to be the Middle East, VFM Yachi deferred to Norihiro Okuda, Director General of MOFA's Middle East and African Affairs Bureau, who led the discussion for Japan. END SUMMARY.

IRAQ

- 12. (C) Japan is anxious to hear good news September 15 when General Petraeus and Ambassador Crocker present their report from Iraq, said Okuda, although many think it may not contain the positive news hoped for. This will be due to the fact that not enough time will have passed to fully judge the effectiveness of the surge operation. Japan's Embassy in Baghdad understands the report will most likely report some positive developments on the security front, but that it may be difficult to point to political success stories. It remains necessary to continue to press for political progress; otherwise achieving an improved security situation will have been for nothing.
- 13. (C) Tokyo is following closely the ongoing visit to the region by the Secretary and the Secretary of Defense, and is encouraged to hear initial reports indicating the Saudis may

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now be inclined to work more closely with the Iraqis, Okuda continued. It has been Japan's experience, most recently during Prime Minister Abe's May visit to the Middle East, that Saudi Arabia and the U.A.E. do not trust or wish to work with the Maliki government. In fact, one of the main goals of Abe's visit had been to urge these governments to work more cooperatively with the Iraqis. The response Abe received had not been hopeful, and Japan continues to suspect it will be hard to gain meaningful cooperation from the Saudis and Emiraties. That said, Tokyo holds out hope that Secretaries Rice and Gates will be successful in lining up

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more regional support for Iraq from among its Arab neighbors.

- 14. (C) With regard to Japanese assistance to Iraq, Okuda pointed out that the Diet had recently passed legislation to extend for two years the deployment of Air Self Defense Force assets flying missions from Kuwait to Iraq. Japan also continues to be active in the reconstruction of Iraq. Japan's Ambassador in Charge of Reconstruction Assistance to Iraq, Gotaro Ogawa, is currently in Baghdad, where he met with Prime Minister Maliki, Deputy Prime Minister Hashimi, and several other ministers including the Oil and Finance ministers. His mission has two objectives: to expedite the yen loan process and to encourage the Iraqis to take additional efforts to foster the reconciliation process.
- 15. (C) Okuda explained that of the \$3.5 billion in yen loans that Japan has pledged to Iraq approximately two thirds of the funds, \$2.1 billion, have been committed to projects. However, very little of this has yet to be spent, as the Iraqi parliament must approve the projects and has yet to do so. One reason seems to be Sunni dissatisfaction that their areas are getting less than a fair share of the projects. (Okuda noted that Japan has concentrated on projects in the more secure northern and southern regions of Iraq due to security concerns.) To try to unblock this process, Ogawa met with parliamentarians from all factions to urge them to

move forward with the necessary approvals.

- 16. (C) On the issue of reconciliation, Ogawa was invited to attend and address a meeting of Shia and Sunni political leaders that included the Prime Minister, where he pointed out the need for stronger efforts by all parties to advance the reconciliation process. Okuda reported that, on the surface, both sides seem willing to address reconciliation, but the Japanese are unclear whether either is really willing to move forward. He said that the Sunni leaders must understand that if Iraq is to function as a democracy, the demographic realities of the country must be respected, and this is complicated by the fact that some Sunnis believe they are the majority. It is necessary to enlist the help of the Saudis to get past this point, and that is also difficult because the Saudis and other Sunni Arab states are having a hard time looking beyond their fear of Iran.
- 17. (C) The Deputy Secretary agreed with Okuda that the role of the Saudis is key. They must, he concurred, strike a balance with the fact that Iraq is a Shia majority country and that they and other neighbors, including Jordan, need to stop supporting Sunni groups on the outside of the political process. Such support is sending the wrong signals to Iraqi Sunnis. It is also difficult to accurately judge the intent of either party when it comes to reconciliation, he said. The Sunnis are constantly complaining, but this may very well be just a stalling tactic to gain additional concessions. The Deputy Secretary said he is certain the subject of Saudi support for the government of Iraq is a major point being driven home by Secretaries Rice and Gates during their visit to the region and added that perhaps the holding of additional neighbors meetings will also help build confidence and get Iraq's Sunni Arab neighbors more engaged in working with the Maliki government.
- 18. (C) Concerning the upcoming Petraeus/Crocker report, the Deputy Secretary noted that the pace of progress in Iraq is difficult to assess. On the one hand, we have seen marked improvements in areas such as Ramadi where Sunni insurgents who once fought against us are now turning against Al Qaida, and reconstruction projects are beginning to show promise. At the same time, the situation elsewhere remains difficult.

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Baghdad seems to be a bit more stabilized, with fewer population shifts than had been the case in prior months. But there is a concern that the expectations that have been created about the report will not be met, and this will lead to much political debate.

19. (C) Okuda said Japan fears the domestic political debate in the United States about Iraq will impact the Middle East for years to come and asked whether it would be possible to hear from the U.S. Embassy in Baghdad about the drafting of the report. The Deputy Secretary said it was not likely anyone would see a draft of the report before it is released. As for the role of presidential election politics on U.S. engagement in Iraq, the Deputy Secretary pointed out that President Bush is not up for reelection and remains firmly committed to the course of action he has enunciated for Iraq, making it unlikely that the U.S. commitment to Iraq will change prior to the end of this administration.

## IRAN

110. (C) Japan sees no movement on the part of the Iranians to cease its uranium enrichment activities, reported Okuda. It is therefore critical, he said, for the international community to maintain a united front and to keep the pressure on Tehran. Tokyo understands talks are ongoing in New York about a third UNSCR aimed at Iran and is hopeful the Russians and Chinese will continue to support such a step. Japan does not want to see a unilateral approach toward this issue and

would find it difficult to take action against Iran outside of an international framework. Japan is also concerned by talk by some of possible military action by either the United States or Israel. Okuda said Tokyo understands completely that it is necessary to keep Iran guessing about this and thinks it likely that Tehran's actions have been somewhat limited by this threat. But military action always brings the possibility of miscalculations and miscommunications.

- 111. (C) The Deputy Secretary responded that while we don't rule out the use of military force, very few people are speaking of this and the U.S. is not looking for hostilities or another military conflict. In fact, it is very likely the Iranians, rather than being afraid of being attacked, are emboldened by the difficulties the United States is encountering in Iraq. We have seen them increasing their activities in Lebanon, Gaza, Iraq, and Afghanistan. We agree, said the Deputy Secretary, in the need to maintain international pressure, but suspect the Russians and Chinese may wish to slow things down a bit to "give the IAEA a chance" to address the issue. But in the meantime, enrichment continues. The Iranians, he said, are very good at playing for time. The United States appreciates the steps Japan has taken with regard to Iran.
- 112. (C) Iran's help in stabilizing the situation in Iraq is a second major issue, said Okuda. Japan is pleased that the United States and Iran have commenced direct discussions about Iraq, and even though they have not yet led to any tangible results, the fact they are taking place is a hopeful sign. The Deputy Secretary replied that it is not yet possible to assess the prospects of success for the talks but it is agreed that we need to have a dialogue with the Iranians and Iraq is a good subject with which to start.
- 13. (C) Concerning the impact of international pressure on Iran, Okuda observed that it seems to be having some effect. Recently the Japanese Embassy in Tehran has been having a difficult time engaging contacts who formerly were easy to deal with. He attributed this to increasing pressure in Iran on opposition personalities, citing the arrest and harassment of Iranian politicians in the camp of former President Rafsanjani. Japan's diplomats in Tehran also believe that President Ahmadinejad initially started his administration by tolerating some of the more liberal social trends which were then underway. Now, however, he is becoming more conservative about issues such as how women dress in an attempt to mobilize his more conservative backers.

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## AFGHANISTAN AND PAKISTAN

114. (C) Events in Afghanistan must be viewed in conjunction with Pakistan, said Okuda. Japan is very concerned that the forces of radical Islam may use the Afghanistan/Pakistan region as a stepping stone to other areas in South and Southeast Asia, and that already there are signs that Indonesia is being impacted. This spread, said Okuda, would pose a direct threat to the security of Japan. Similarly, the countries of Central Asia may also be directly affected by what happens in Pakistan and Afghanistan. Okuda said he fears Japanese engagement and interest in this area is waning and would like to see this become a major issue when Japan chairs the G-8 next year. The Deputy Secretary agreed, but pointed out that despite recent images of turmoil in Pakistan, it is possible that things there may turn out for the better. The government of Pakistan is taking a more holistic approach to dealing with the Federally Administered Tribal Areas, and the United States is committed to spending \$150 million a year for the next five years to support economic development in that region. Director General Nishimiya noted that Prime Minister Abe told President Bush that Japan stands ready to assist in this endeavor but the

Japanese Embassy in Washington has not yet been able to engage the Department on this issue. The Deputy Secretary said SCA Assistant Secretary Boucher is the point of contact and the United States looks forward to Japanese support.

- 115. (C) Okuda then briefed the Deputy Secretary on Japan's activities in support of Afghan reconstruction, noting that \$1.2 billion has been pledged for rural development, disarmament of militias (DDR) and illegally armed groups (DIAG), infrastructure such as roads, and the development of human resources. With regard to DIAG, Japan is funding the creation of a new department within the Afghani Ministry of Interior to make more use of ordinary citizens, rather than high-priced consultants, to manage the disarmament program.
- 116. (C) On the issue of the kidnapped South Koreans, VFM Yachi explained Japan is publicly calling on the Taliban to release the hostages, sharing what information it has with the South Korean government, and has demarched the Government of Afghanistan urging restraint in solving this crisis peacefully.

## MIDDLE EAST PEACE PROCESS

- 117. (C) Foreign Minister Aso plans to visit the West Bank and Israel the week of August 12, and it is hoped that Israeli Foreign Minister Livni can be convinced to come to Jericho to meet with him and their Jordanian and Palestinian counterparts to discuss next steps in Japan's Corridor of Peace and Prosperity (CPP) initiative. This would, according to Okuda, be the first visit by an Israeli minister to the West Bank since the beginning of the second intifada. Okuda explained the CPP initiative and said Japan fully recognizes there are many issues yet to be overcome but, at the same time, hopes that slow progress can be made.
- 118. (C) Okuda told the Deputy Secretary that Japan appreciates President Bush's recent call for an international meeting to discuss the Middle East Peace Process and asked to kept updated on the preparations. Japan recognizes it is not a member of the Quartet, but if donor countries are to be invited, Japan would like very much to participate, and the sooner it knows whether this is possible, the easier it will be to assure attendance by Foreign Minister Aso. VFM Yachi underlined this request, noting that Japan is interested in playing a greater role in the Peace Process and would be happy to attend the meeting if possible.

INDIA

 $\underline{\P}$ 19. (C) Japan is very interested in the agreement between the

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United States and India for the peaceful use of nuclear power and will be sending a team of experts to Washington this week for briefings on the agreement, said Yachi. Prime Minister Abe is still planning on visiting New Delhi later in the month.

BURMA

120. (C) Japan welcomes dialogue between the United States and Burma, Yachi told the Deputy Secretary, but is not happy we chose to go through the Chinese to facilitate these contacts. He said some in the United States have criticized Japan as being "too sweet" with the military regime, and protested that this is not true. Japan has been taking a firmer approach toward the regime, he said, and Tokyo's patience is not unlimited. Had the United States asked Japan to facilitate meetings with Burmese officials, this would have

been possible.

AFRICA

121. (C) VFM Yachi advised the Deputy Secretary that Africa will be a major subject for discussion when Japan hosts the G-8 summit next year. In May 2008, Japan will host a meeting of African chiefs of state and leaders of international organizations. This meeting is hosted by Japan every five years. Tokyo's approach to Africa has been to impart a sense of ownership over assistance programs to the countries that receive them, rather than making it seem like Japan's assistance is charity. The Deputy Secretary responded that the United States is also very proud of its assistance programs in Africa and thinks that they are underappreciated,

- 122. (U) August 3, 2007; 12:30; Tokyo, Japan.
- 123. (U) Meeting Participants:

both at home and abroad.

U.S.

Deputy Secretary Negroponte
Deputy Assistant Secretary David Sedney, Dept of Defense
James Zumwalt, Director of Japan Affairs, Dept of State
Kaye Lee, Special Assistant
Ted Wittenstein, Special Assistant
Evan Reade, US Embassy Political Officer (Notetaker)

Japan

Shotaro Yachi, Vice-Minister for Foreign Affairs Norihiro Okuda, Director-General, Middle Eastern and African Affairs Bureau Shinichi Nishimiya, Director-General, North American Affairs Bureau

Nobukatsu Kanehara, Director, Policy Coordination Division Takeo Mori, Director, First North America Division Masahiro Mikami, Assistant to Vice-Minister for Foreign Affairs

Takeomi Yamamoto, Deputy Director, First North America Division (Notetaker)

124. (U) The Deputy Secretary cleared this message. SCHIEFFER